



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 11, 2001

H. R. 3005 **Bipartisan Trade Promotion Authority Act**

As ordered reported by the House Committee on Ways and Means on October 10, 2001

SUMMARY

H.R. 3005 would restore the President's authority to enter into multilateral and bilateral trade agreements with Congressional approval or rejection of, but not amendment to, those agreements. Enacting the bill would not affect revenues, so pay-as-you-go procedures would not apply.

CBO has determined that H.R. 3009 contains no new private-sector or intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO estimates that enacting H.R. 3005 would have no budgetary impact.

BASIS OF ESTIMATE

Before their expiration on June 1, 1993, sections 1102 and 1103 of the Omnibus Trade and Competitiveness Act of 1988 granted the President the authority to enter into multilateral and bilateral trade agreements. The President could reduce certain tariffs by proclamation within specified bounds prescribed by the law. For provisions subject to Congressional approval, the Congress could not amend implementing legislation once it was introduced. Furthermore, as long as the President met statutory requirements concerning Congressional consultation during the negotiation process, Congress was required to act on the legislation following a strict timetable. P.L. 103-40 temporarily extended these provisions through April 16, 1994, for any trade agreement resulting from the Uruguay Round negotiations taking place under the General Agreement on Tariffs and Trade.

H.R. 3005 would restore the President's authority to propose trade agreements under an expedited procedure for Congressional approval. The bill would have no direct effect on revenues, because future trade agreements would require implementing legislation.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no new private-sector or intergovernmental mandates as defined in UMRA and would not impose any costs on state, tribal, or local governments.

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